

M. The Commission Should Permit All Existing Tariff Provisions Governing Billing for EIS to Remain in Effect

NYNEX proposes to prorate the charges for EIS based on the percentage of interstate use ("PIU") reported by interconnectors. ALTS states "[t]here is no justification for NYNEX's departure from the practice of all the other LECs and from the rules applicable to special access services."¹²⁹ TCG comments in the same vein stating "[v]irtually all the LECs correctly recognize that the collocation arrangement should be viewed as subject to the FCC's jurisdiction if more than 10% of the traffic is interstate in nature -- which is almost certain to be the case."¹³⁰

Pacific Bell disagrees with these commentators. NYNEX has a different approach because it has established state tariffs for the provision of intrastate EIS. NYNEX has participated in state expanded interconnection proceedings not only for special access, but also for switched access and exchange services. NYNEX's position should be viewed as reflecting the uniqueness of its experience and the fact that its EIS is tariffed as an intrastate service, as well as an interstate service.

If expanded interconnection service were used only for special access service, the 10% rule would seem to apply. In view of the FCC's recent decision regarding expanded interconnection for switched access services, however, the

¹²⁹ ALTS at 38, K.

¹³⁰ TCG at B-28.

restricted application of expanded interconnection to special access services seems extremely unlikely. TCG's assumption regarding interstate usage may not hold true for all LECs based on state actions (e.g., services interconnecting to EIS) or the service usage characteristics of its market area.¹³¹

Pacific Bell recommends that the Commission defer resolution of this issue in the instant proceeding, allowing all LEC provisions to remain in effect. Jurisdictional measures should more appropriately be reviewed in light of switched access and potential local exchange service usage of expanded interconnection facilities, which probably will greatly over shadow special access usage.

N. Pacific Bell's Provisions Governing the Use of Letters of Agency are Reasonable

Pacific Bell allows the EISCC to be ordered through letters of agency. Pacific Bell also permits EISCC to be ordered and billed under the same rules as its special access services. So far as we can determine, no party has challenged these procedures.

¹³¹ Pacific Bell is currently participating in the California Public Utilities Commission proceedings on Open Access to Bottleneck Facilities (Order Instituting Rulemaking and Order Instituting Investigation, Cal.P.U.C. R.93-04-003, Cal.P.U.C. I.93-04-002) and Expanded Interconnection for special access, exchange private line, and switched access (Further Order Proposing Expanded Interconnection and Switched Transport Competition, Cal.P.U.C. R.93-04-003, Cal.P.U.C. I.93-04-002).

O. Pacific Bell's Provisions Governing Inspection of EIS Customers' Space and Facilities are Reasonable

TCG objects to Pacific Bell's reservation of the right to conduct routine inspections on the grounds that the term "routine" is not defined in the tariff. No other party expressed any difficulty in understanding the scope of this provision. Pacific Bell conducts periodic inspections of its central offices in order to assure ongoing compliance with safety, fire, environmental and security standards. For example, fire safety walkthroughs and fire alarm system verifications are scheduled monthly, as are tests of each building's emergency paging system.¹³² During these inspections, Pacific Bell also inspects equipment areas to make certain that no combustible or hazardous materials have been stored at those locations. These regular inspections of its facilities have been conducted by Pacific Bell for many years. TCG has presented no evidence or argument that would justify eliminating such inspections or excluding EIS areas from them.

TCG apparently is most concerned about inspections of its equipment in the cage area. Pacific Bell would inspect such equipment only at the time of initial installation, and at the time of any subsequent additions to the equipment in order to insure compliance with the technical standards set forth in Section 16.4.8 of its tariff. The routine inspections provided for in Pacific Bell's tariff are those that are conducted after installation for the purpose, as

¹³² These routine inspections are scheduled every month, but not necessarily the same time or day of each month.

discussed above, of assuring compliance with safety, security, fire and similar requirements. Pacific Bell anticipates that the latter inspections will not involve entry into a customer's cage, unless visual inspection from outside the cage reveals the probable presence of a significant threat to personnel or facilities, such as combustible materials.

Pacific Bell has no objection to the presence of an EIS customer's representative during scheduled inspections of its space. Pacific Bell, however, will not postpone or reschedule an inspection if the customer's representative is not able to be present.

Finally, TCG claims that it does "not object to legitimate outside inspection requirements (e.g., OSHA, fire marshal, insurance companies) as long as sufficient notification is given and the number of these inspections remains within the pre-existing framework."¹³³ TCG does not explain the basis for its assumption that Pacific Bell (or any other private entity) can regulate the frequency of inspections by OSHA, the fire marshal or other governmental and independent bodies. Further, while TCG may wish advance notice of their inspections, in Pacific Bell's experience these authorities frequently appear unannounced to ensure that the subjects of the inspection are complying with applicable rules and regulations. It is simple fantasy for TCG to imply that Pacific Bell can exercise control over such inspections.

¹³³ TCG at B-34, n.*.

P. Pacific Bell's Proposed Provision Concerning the Recovery of Taxes is Reasonable

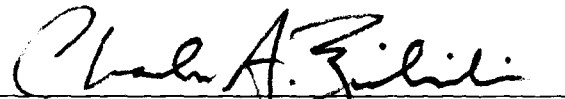
Pacific Bell indicated in its Direct Case that it intends to amend its tariff to require its EIS customers to pay all taxes and other charges assessed to Pacific Bell as a result of their operations and equipment located on telephone company premises. TCG attacks both Pacific Bell's proposal as well as an existing US West provision that also concerns taxes. As TCG recognizes,¹³⁴ however, the two provisions are intended to address different problems. The US West provision is designed to prevent the company from becoming involved in disputes between its customers and taxing authorities. Pacific Bell's proposed provision is designed to permit the recovery of taxes from EIS customers that are incurred solely because of their presence. TCG's substantive arguments only address the US West provision. Moreover, no other commentor protests Pacific Bell's provision. Accordingly, Pacific Bell should be allowed to amend its tariff to include the proposed tax provision.

¹³⁴ TCG B-35, n.****.

CONCLUSION

For the foregoing reasons as well as those set forth in Pacific Bell's Direct Case, the Commission should find and conclude that Pacific Bell's tariff provisions governing EIS are just and reasonable.

Respectfully submitted,



Charles A. Zielinski
A. Richard Metzger, Jr.
Rogers & Wells
607 14th Street, N.W.
Washington, D.C. 20005



James P. Tuthill
Jeffrey B. Thomas
140 New Montgomery Street
San Francisco, CA 94105

James L. Wurtz
1275 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

DATED: September 30, 1993 Attorneys for Pacific Bell

APPENDIX A

Practical Risk Management

The Professional's Handbook

Written by:
David Warren, CPCU
Ros McIntosh, CPCU
with continuing counsel from a panel of advisors
(see names inside title page)

Practical Risk Management

"The Professional's Handbook"

Volume 2 – Topics F to J

Written by:

David Warren, CPCU

Former president and founder, Warren, McVeigh & Griffin, risk management consultants. Sold interest in 1979 to focus on PRM and independent consulting. Founding member Institute of Risk Management Consultants (now Society of Risk Management Consultants) and president 1975-77. Former member of Advisory Committee of the IIA Program in Risk Management. Author of Risk Management topic in *Handbook for Professional Managers*.

Ros McIntosh, CPCU, MBA

Fulbright scholar with degree from Smith College and graduate work at Harvard Business School. Background as computer programmer, research director, and newspaper editor. On faculty of Golden Gate University.

and its advisors:

Suzanne H. Crager, ARM, Corporate Risk Manager, Provident National Bank, Philadelphia, PA
Michael P. Dinstein, Ph.D.; Vice President, Sedgwick James, New York, NY
George L. Head, Ph.D., CPCU; Director Risk Management Education, Insurance Institute of America
Steven P. Kahn, CPCU; Principal, ARM Tech, Laguna Hills, CA
E. J. Leverett, Ph.D., CPCU; Professor of Risk Management and Insurance, University of Georgia
Erin Oberly, CPCU, Senior Consultant, Tillinghast/TPF&C, San Francisco, CA
James J. Perino, CPCU, ARM, CLU, Dir. of Ins. and Risk Management, Rockwell Int., Pittsburgh, PA

Plus special advisors for each topic.

Mailing Address:
Practical Risk Management, Inc.
P. O. Box 10093
Oakland, CA 94610

Office at:
31 Fairview Ave.
Piedmont, CA 94610
(510) 653-3687

Disclaimer: This publication is designed to provide accurate and authoritative information about risk management practices. It is sold with the understanding that the publisher does not render legal, accounting or other professional services. If legal advice or other expert assistance is required, the services of a competent professional person should be sought.

Practical Risk Management

The Professional's Handbook

Written by:
David Warren, CPCU
Ros McIntosh, CPCU
with continuing counsel from a panel of advisors
(see names inside title page)

Topic G-2

UMBRELLA LIABILITY

Note: Umbrella excess liability policies are undergoing considerable change. Mixing of occurrence and claims-made primary policies, combined with dislocations of insurance and reinsurance markets, is leading to more limited umbrella protection than has heretofore been the case.

Umbrella excess liability is probably the most important policy for most insureds. First, it is the only source of protection against most catastrophic liability suits because of its high limit. Second, it usually covers a wider range of claims with fewer restrictions than primary policies, though this is not now as general as it used to be.

Because of its importance, the umbrella's wording calls for most careful analysis since many forms with widely varying coverage are available. Insurance Services Office (ISO) has issued advisory wording, but it has not received general acceptance.

Neither ISO nor any other rating bureau has jurisdiction over forms or rates; each insurer develops its own. Within individual company guidelines, rates are based on underwriting judgment.

INSURING AGREEMENT

The insuring agreement of most umbrella policies promises to "indemnify" rather than to "pay on behalf of" the insured. Technically, this means the insurer could insist that the loss initially be paid by the insured, who would then be reimbursed. However, the difference is rarely noted in practice. If requested, some companies will add an endorsement to make it a "pay on behalf of" policy.

Most umbrella policies insure personal injury, property damage and advertising liability with

the following provisions:

Occurrence

Protection applies only to an "occurrence" as defined in the policy. This definition is vital. It should not be limited to "accidents" but should include "events" as well. A different definition should apply to personal injuries such as libel, slander, and false arrest which are intentional acts (see "Personal Injury" below).

Territory

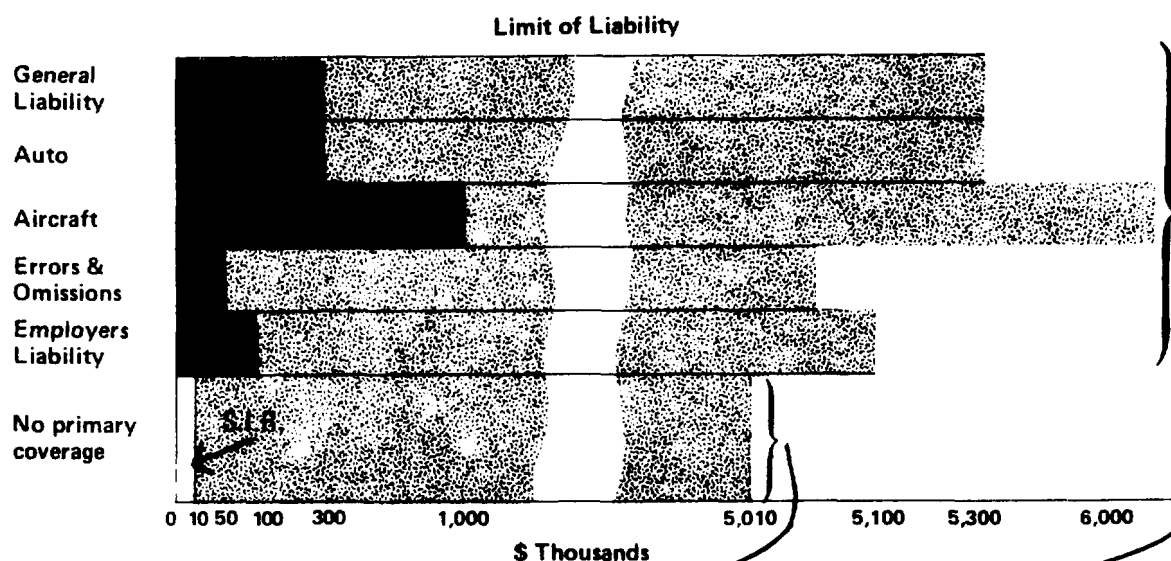
Coverage applies anywhere in the world; some policies require suits to be brought in the U.S.

Personal Injury

Umbrellas define "personal injury" differently than do primary policies. In primary coverage, it specifies non-bodily injuries such as libel, slander, false arrest, and invasion of privacy. In the umbrella, it includes these as well as bodily injuries.

The umbrella definition may be broader and include such injuries as humiliation, shock, mental anguish, mental injury, and discrimination (sometimes limited to racial or religious). Since the umbrella, however, covers only defined occurrences – and intentional acts (which aren't covered) are not occurrences – be sure that coverage is not limited to this definition. Most personal injuries (such as libel) are by nature intentional acts. Primary policies avoid this problem by covering personal injury in a separate insuring agreement. Instead of the term "occurrence" or "accident," it uses the undefined term "offense." It is important, therefore, for the umbrella to have a separate occurrence definition for intentional and non-bodily injuries and to be "following form" (see below).

DIAGRAM OF A \$5 MILLION UMBRELLA



FUNCTIONS

1. Raise limits of primary (underlying) policies by \$5 million.
2. Provide broader coverage than primaries, subject to self-insured retention (SIR minimum usually \$10,000, — \$25,000 or more for larger firms.)
3. Replace primary coverage where aggregate limits have been exhausted. If a primary liability policy has a \$100,000 aggregate limit for products, and four \$25,000 such claims are paid in the first seven months of the policy term, the umbrella picks up primary coverage for the next five months.

Not all umbrella policies meet all three functions. A "straight excess" policy fulfills function # 1, and sometimes #3. It can substitute for an umbrella only when primary policies give coverage as broad as the usual umbrella.

This is not usually desirable because broad primary protection is normally more expensive. However, some primary programs — particularly where they are loss-rated — are so broad that following-form excess is all that is needed.

Property Damage

Property damage liability should be defined as (1) damage or destruction of tangible property, (2) loss of use of property damaged or destroyed, and (3) loss of use of property not physically damaged or destroyed if the loss was caused by an occurrence during the policy period. (This definition is used by ISO primary policies). Several umbrella policies limit coverage to property damaged or destroyed and the loss of use thereof. This should be avoided. Loss of use of property without actual damage is possible if, for example, an accident involving a road blocks access to a property.

Contractual Liability

Contractual liability may refer only to written contracts. This is too restrictive – oral contracts should also be covered.

Advertising

“Advertising liability” is defined in the Lloyd’s form as libel, slander, or defamation; infringement of copyright; piracy or unfair competition; invasion of privacy; and misappropriation of ideas. Some insurers limit these perils. Check the definition of personal injury and the exclusions of your policy. If you are heavily involved in broadcast/telecast activities, special primary forms are available and recommended. The umbrella must be at least as broad as the primary policy.

Punitive Damages

Public policy in your state may prohibit insurance coverage of punitive damages or other fines. However, it is sometimes difficult to separate the types of damages awarded in the final judgment, and it is better for the policy to be silent on punitive damages to avoid loss adjustment problems.

Following-Form

Umbrella policies do not automatically follow the primary policy coverage if it is broader than that of the umbrella. Umbrellas are usually broader than primary policies, but not always. If the primary policy happens to give broader coverage than the umbrella, a following form agreement

should be added to the umbrella.

A “following-form” insuring agreement (or endorsement) will remedy this deficiency by stating that all insuring agreements and conditions of primary insurance will be automatically included in the umbrella. Some umbrellas have this feature; check for it in the “limits of liability” or “underlying insurance” conditions.

Some umbrella forms have an excellent coverage insuring agreement which gives two coverages:

Coverage A – Excess over underlying policies, including all terms of underliers.

Coverage B – Protection where underliers do not cover, subject to insured’s retention (at least \$10,000).

Defense

Umbrella policies agree to “indemnify” the insured for all sums paid – “ultimate net loss” – including defense costs. Defense, in other words, is not an additional part of the insuring agreement (as in primary policies), but is usually included in the definition of ultimate net loss. Some companies will pay defense costs in addition to policy limits. Coverage on this basis is preferable in theory; however, terms may not be consistent between primary, umbrella and access layers, leaving potential gaps in defense reimbursement.

The older umbrella contracts did not provide defense for claims which were likely to stay within the limit of the retention. Most umbrella policies written today include defense coverage for claims not covered in primary policies, even when a loss is not likely to involve the umbrella contract.

Some risk managers prefer first-dollar defense coverage for all umbrella liability claims – including claims for which no primary coverage exists. As long as the carrier’s share of the settlement or award is larger than your share, this is appropriate. If, however, a settlement is made which is equal to or less than your retention, it is your money the insurer is committing. If you prefer to handle defense and

all losses until the SIR is exceeded, defense coverage in the umbrella can be omitted when no primary insurance exists.

Another approach to retaining some control over defense in the absence of primary coverage is to exempt only property damage liability claims from defense coverage. Most property claims requires less adjusting expertise (though not always) and this may give you tighter control on payment.

Some umbrella policies do not pick up defense costs after primary limits are exhausted (especially older manuscript forms which have not been revised). Note that the primary liability policy does not provide any defense once the policy limit has been paid. Unless you are certain that your company is in a position to handle all potential legal costs, it is important that the umbrella liability policy offer defense coverage excess of exhausted primary limits (either per-loss or in the aggregate).

Anniversary Dates

Anniversary dates of primary coverage must be concurrent with the anniversary date of the umbrella policy. Umbrella policies require that the limits stated in the schedule of underlying insurance, including all aggregates, be intact at the beginning of the umbrella's term. If anniversary dates are not concurrent, a particular primary aggregate limit could become exhausted before the umbrella term is up. Or, an occurrence may take place over a time period which overlaps expiration of one policy but not another. In either case, primary insurance might be exhausted, leaving an uninsured gap before the umbrella is required to pay.

EXCLUSIONS

Umbrella exclusions take two forms: conditional and absolute.

- Conditional exclusions apply only if there is no underlying coverage.
- Absolute exclusions apply irrespective of underlying insurance, even if you have a following-form agreement. However, the

umbrella should be endorsed to be as broad as all primary policies.

If possible, do not accept a "care, custody, and control" exclusion. If operations involve substantial control of property of others, for example, for a commercial bank, underwriters may insist either on such an exclusion or on primary insurance. However, this may be resolved by modifying the exclusion to apply only to the underwriter's real concern: money and securities. For a financial institution, money and securities are better covered under a Bankers Blanket Bond. If a bailee exposure exists, as for a laundry, primary insurance is needed.

Exclusions referring to "professional services" pose special problems. Professional liability is usually on a claims-made basis which may or may not fit with the umbrella. Separate professional liability coverage to adequate limits is usual, but if it can be fit into the umbrella, that would be desirable.

If professional liability exposures are only incidental, such as providing advice on installation of equipment in customer's plants, primary professional liability coverage would normally not be obtained. It is important then that such coverage not be excluded from your umbrella. Claims that meet the umbrella definition of "occurrence" would then be covered.

A good umbrella policy should have no exclusions except:

1. War.
2. Nuclear risks.
3. Workers compensation.
4. Damage to products or work performed, arising out of the products or work (faulty workmanship).
5. Design error (but not "active malfunctioning" of the product).
6. Product recall (exclusion might be eliminated if exposure is slight).
7. For advertising liability, (a) failure to perform a contract, (b) trademark infringement, (c) incorrect description, (d) mistake in advertised price.
8. Pollution other than sudden and accidental.

CONDITIONS

Underlying Insurance

Umbrella policy conditions usually require maintenance of scheduled underlying insurance. If required underlying insurance is not maintained, the umbrella carrier's share of a loss will be determined as if the underlying contract were in force. Requirements for underlying insurance are a matter of negotiation. If certain liability exposures are significant, you may have no choice — the umbrella carrier may insist on primary coverage. If these exposures are only incidental, you may wish to omit primary insurance and rely on the umbrella — subject, of course, to the self-insured retention. Exposures such as personal injury, errors and omissions, and advertiser's liability are good examples.

In some instances, property policies are scheduled as underlying policies since some provide liability coverage to property in custody.

Some umbrella carriers require the insured to report immediately any changes of coverage in underlying insurance. The term "immediately" has a much more urgent connotation than "as soon as practicable." The insurer may deny coverage if a material change in underlying policy conditions is not immediately reported. This wording, therefore, should be changed to "as soon as practicable."

Some policies state that prompt notice must also be given if additional insureds are added to the primary policy. Otherwise, they may not be covered. Unless the carrier waives the prompt-notice condition and the umbrella's definition of "insured" automatically includes them, be sure that additional insureds are promptly added by endorsement.

Every umbrella lists the primary policies for which it is excess. These listings should be clear and precise. Each underlying policy should be shown with the insurer's name, policy number, term and type of coverage. Basic broadening conditions, such as blanket contractual and personal injury may also be shown; but obviously it is impossible to print all terms of coverage. Thus, delineation of the specific policy

by number is required. When underlyers are renewed or replaced, the umbrella should be so endorsed. This is especially important if the umbrella states (as it should) that it offers all coverage appearing in the underlyers.

Some risk managers don't worry about specific reference to underlying policies, especially if there are many underlyers (say, many foreign countries, each with a liability policy). This is all right if you are sure the umbrella is broader in all respects, such as coverage, exclusions, and additional insureds, and if you are not concerned about "following form" language in the umbrella.

New Acquisitions

Some umbrella policies cover newly acquired companies automatically. One such policy defines "Named Insured" as including "any subsidiary company (including subsidiaries thereof) of the named insured and any other company coming under the named insured's control of which it assumes active management." This still leaves out companies not actively managed, so provision should be made for them.

Some umbrellas cover acquisitions only for a limited time or only if "prompt notice has been given to the company." Such a provision could lead to disaster. One practical way to obtain automatic coverage is to use the following wording for the named insured which says: "The ABC Corporation, any subsidiary, associated, or affiliated companies, sponsored joint ventures, or any other interest as may now or hereafter exist." Should the policy have a requirement for notification, have it modified so that inadvertent failure to notify will not void coverage.

The terms "associated" and "affiliated" will normally include upstream holding companies as well as downstream subsidiaries.

Because of possible omissions in the names of insureds listed on underlying insurance, it is inadvisable to state in the description of the named insured under the umbrella policy: "... all as more fully detailed in policies of underlying insurance." The umbrella should be complete in itself.

Severability of Interests

If the umbrella covers more than one company, an employee of one company may have a claim against another insured company. Since the policy excludes liability arising out of employment with the named insured, coverage could be denied unless there is a "severability of interests" or "cross liability" clause. This states, in effect, that in such a case, each insured will be treated as though he had a separate policy (it does not increase policy limits).

This is also pertinent with respect to property. Property damage excluded as to one insured because it is in his custody should not eliminate coverage to another insured for damage to that property.

Limits

The question of what limit to carry is difficult to answer. Liability limits should be related to corporate net worth and exposure to catastrophic loss, but even a small company should carry at least \$5 million.

A RIMS survey showed that companies with annual revenues of \$30 to \$100 million carried limits largely between \$5 and \$50 million, those with revenues of \$100 to \$300 million carried limits between \$10 and \$100 million, those with revenues of \$300 to \$1,000 million carried limits between \$10 and \$125 million, and those with revenues over \$3,000 million carried limits from \$100 million to \$500 million or more. However, such purchasing decisions are strongly influenced by insurance market conditions, with lower limits purchased during hard cycles when premiums are relatively high.

When umbrella policies were first introduced, limits were structured in one of two ways: (1) on an "up-to" basis, or (2) on an "in addition to" basis. An "up-to" basis meant that the limit represented the combined limit, including primary limits. For example, with a \$10 million umbrella on an "up-to" basis, and \$500,000 primary limits, the umbrella would provide \$9,500,000 coverage. Today (as shown in the chart on page 2), most umbrella policies are on an "in addition to" basis. Using the same illustration, a \$10 million umbrella on an "in

addition to" basis, excess of a \$500,000 primary liability policy, would provide combined limits of \$10,500,000.

Umbrella underwriters vary in their requirements for underlying limits, but a \$1 million primary CGL limit is common. Specialty liability insurers may require differing retentions. The important point is the maximum total limit. It matters little to the risk manager where the underlying limit is set -- except as it affects costs. It should be high enough to pick up all normally anticipated losses, leaving the umbrella to cover only the rare catastrophe.

CHECK LIST

1. Does your umbrella policy contain a "following-form" insuring agreement?
2. Does definition of "occurrence" include events as well as accidents?
3. Is discrimination included as a covered peril? Is it limited to certain kinds of discrimination?
4. Does property damage liability include loss of use of property not physically damaged?
5. Are oral contracts covered?
6. Are punitive damages not specifically excluded?
7. Does the defense clause provide "first-dollar" coverage?
8. Does your umbrella pick up defense costs when primary aggregate limits have become exhausted?
9. Are the anniversary dates of your umbrella concurrent with those of underlying primary policies?
10. Does your umbrella policy cover property in your care, custody, or control?
11. Are incidental professional services covered -- or, at least, not excluded?
12. Are scheduled underlying insurance poli-

cies clearly identified by policy number? This is particularly important if your umbrella policy contains a "following-form" insuring agreement.

13. Are you required to report changes in underlying insurance "as soon as practicable" rather than "immediately"?
14. Is the wording of the named insured on your umbrella policy broad enough to include all affiliated companies?
15. Does the umbrella cover automobile "fellow-employee" exposures even though they may be excluded in the primary?
16. Does the policy cover all new acquisitions, even though inadvertently not reported?
17. Are such non-accidental personal injuries as libel and false arrest free from the requirement to be accidents or non-intentional acts?

18. Are limits adequate?

19. Does a policy with more than one named insured have a severability of interests or cross liability clause?

RECOMMENDED REFERENCES

(See Topic H-2
for addresses & prices)

1. "The Umbrella Book". A 2-volume loose-leaf analysis of coverage provided by principal umbrella policies. Includes policy forms of 98 insurers. Cost: \$250.00.
2. "Fire, Casualty & Surety Bulletins." Casualty & Surety volume and the Companies & Coverages volume.
3. "The John Liner Letter". March 1982.
4. "Strategies for Insurance Coverages" Manual, Vol. III.

Certificate of Service

I, Denice Harris, on behalf of Pacific Bell, do hereby certify that I caused a copy of its foregoing "Rebuttal" in connection with CC Docket No. 93-162, to be served to the parties indicated on the attached Service List by United States mail, postage prepaid, on this 30th day of September, 1993.



Denice Harris

Pacific Telesis Group-Washington
1275 Pennsylvania Avenue, N.W., Suite 400
Washington, D.C. 20004

Service List
CC Docket No. 93-162
September 30, 1993

F. Thomas Tuttle
Pierson & Tuttle
1200 19th Street, N.W.
Suite 607
Washington, D.C. 20036

Michael F. Hydock
MCI Telecommunications Corporation
1801 Pennsylvania Ave., N.W.
Washington, D.C. 20006

Andrew D. Lipman
Swidler & Berlin, Chartered
3000 K Street, N.W.
Suite 300
Washington, D.C. 20007

Leon M. Kestenbaum
Sprint Communications Company, L.P.
1850 M Street, N.W.
Suite 1110
Washington, D.C. 20036

Robert C. Atkinson
Teleport Communications Group Inc.
1 Teleport Drive
Suite 301
Staten Island, N.Y. 10311